

To the Members of the California State Senate:

I am returning Senate Bill 174 without my signature.

This bill creates a new kind of class action lawsuit with no protections contained in the Code of Civil Procedure which governs traditional class action lawsuits. Traditional class action lawsuits are a special category of lawsuit preserved for patterns of alleged wrongdoing and are designed to include increased oversight by the courts to protect both the class and the defendant.

This bill will undoubtedly lead to increased litigation and could result in the same sorts of “shakedown” lawsuits that the citizens of California voted to curb last year by passing Proposition 64.

For these reasons, I am unable to support this measure.

Sincerely,

Arnold Schwarzenegger